

STATE ADMINISTRATIVE BOARD (EXCERPT)
Act 2 of 1921

17.3 Administrative board; supervisory control over administrative departments; limitations as to appropriations; duties of administrative officials.

Sec. 3. The state administrative board shall exercise general supervisory control over the functions and activities of all administrative departments, boards, commissioners and officers of the state, and of all state institutions: Provided, however, The said board shall not have power to transfer any appropriation to the general fund at any time or use the same for any purpose other than that designated by the legislature: Provided further, That said board shall not have power to allow to any state department, board, commission, officer or institution any funds, not appropriated therefor by the legislature, from any source whatever, except as provided in the emergency appropriation act of 1931; and said administrative board shall not have the power to transfer to any state department, board, commission, officer or institution any sum from the amount appropriated by the legislature for any other purpose, except to inter-transfer funds within the appropriation for the particular department, board, commission, officer or institution. Said board may in its discretion intervene in any matter touching such functions and activities and may, by resolution or order, advise or direct the department, board, commission, officer or institution concerned as to the manner in which the function or other activity shall be performed, and may order an interchange or transfer of employees between departments, boards, commissions and state institutions when necessary. It is hereby made the duty of each and every official and employee connected with any administrative department, office or institution of the state to follow the direction or order so given; and to perform such services in the carrying out of the purposes and intent of this act as may be required by the board. Failure so to do shall be deemed to constitute malfeasance in office and shall be sufficient cause for removal.

History: 1921, Act 2, Imd. Eff. Feb. 23, 1921;—Am. 1927, Act 12, Imd. Eff. Mar. 25, 1927;—CL 1929, 203;—Am. 1931, Act 6, Imd. Eff. Mar. 31, 1931;—CL 1948, 17.3.

Constitutionality: Individual members of the legislature brought an action challenging the State Administrative Board's authority under MCL 17.3 to transfer appropriated funds from one program to another within a department. The Court of Appeals conferred standing and held that the statutory authority relied upon by the board had been impliedly repealed by subsequent legislative acts. The Michigan Supreme Court agreed that the chairman of the House Appropriations Committee had standing, but reversed the Court of Appeals decision repealing the State Administrative Board's authority to transfer funds. The Michigan Supreme Court held that neither subsequent amendments to the State Administrative Board Act nor the enactment of the Management and Budget Act indicates an intent by the legislature to repeal by implication the Board's authority under MCL 17.3 to transfer funds within a department. *House Speaker v State Administrative Bd*, 441 Mich 547; 495 NW2d 539(1993).